Guide for Review of National Objective of					
Low- and Moderate-Income Housing					
Name of Program Participant:					
Staff Consulted:					
Activity Name, Number and Brief Description:					
Name(s) of	Date				
Reviewer(s)					

**NOTE:** All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance (except for question 8.d). All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "finding."

**Instructions:** Use this Exhibit for activities that are classified by the program participant as meeting the national objective of providing housing to low- and moderate-income persons. One Exhibit is to be completed for each activity reviewed. The Exhibit is divided into six sections: Classification and Property Information; Written Agreements; Owner-Occupied Structures; Rental Buildings; Multi-Family Structures; and Report Validation and Verification.

#### **Questions:**

1.

CLASSIFICATION AND PROPERTY INFORMATION
Which eligibility category (570.201 – 570.204) was used by the program participant to
classify the activity?
Describe Basis for Conclusion:

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a.	Does the property contain existing housing units or structures?		
и.	boos the property contain existing nousing times of structures.		
De	escribe Basis for Conclusion:	Yes	No
h	If the property has no structures, describe how the program participant will en	nsure f	hat
	the national objective criteria will be met when the property is developed.	iibare t	mu
	[24 CFR 570.208(a)(3) and 24 CFR 570.506(b)(4)(v)]		
De	escribe Basis for Conclusion:		
W	RITTEN AGREEMENT(S) (NOTE: If the activity involves only owner-occup	nied ho	nisi
	ip to Section C.)	orea ne	usi.
	p to zeelion et)		
a.	Has the program participant entered into a written agreement with a landlord		
	or developer receiving CDBG assistance for development of the property?	Yes	N
	[24 CFR 570.506(b)(4)(i)]	163	14
De	escribe Basis for Conclusion:		

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	<ul> <li>b. Does the written agreement indicate the total number of dwelling units in each structure and the total number of units that will be occupied by low- and moderate-income households following the completion of the assisted activity?</li> <li>[24 CFR 570.506(b)(4)(i)]</li> </ul>	Yes	No	N/A
	Describe Basis for Conclusion:			
	c. Does the program participant have a reporting mechanism to ensure that the activity will comply with the occupancy requirements?	Yes	☐ No	N/A
	Describe Basis for Conclusion:			
  . <u> </u>	OWNER-OCCUPIED STRUCTURES			
	a. Does the assisted activity involve owner-occupied structures? (If "no", s to Section D. Rental Structures.)	kip		
	Describe Basis for Conclusion:		Yes	No
	Describe Basis for Conciusion.			

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[2 <sup>2</sup> Descri	uirements for occupancy by low- and moderate-income households?  CFR 570.208(a)(3) and 570.506(b)(4)(iii)]  be Basis for Conclusion:  ere the appropriate Section 8 income limits and household size used to	Yes	No	N/A
Descri	be Basis for Conclusion:			
det	ere the appropriate Section 8 income limits and household size used to			
	ermine if the units are occupied by low- and moderate-income useholds?	Yes	□ No	N/A
	be Basis for Conclusion:			
RENT	AL BUILDINGS			
	es the assisted activity involve rental buildings? If "no", skip to Section	n E.		
	be Basis for Conclusion:		Yes	No

rent o assis incor	s the program participant's documentation contain the amount of charged (or to be charged for unfinished projects) <u>after</u> tance for each dwelling unit occupied by a low- and moderateme household in each assisted structure?  2. 570.208(a)(3) and 24 CFR 570.506(b)(4)(iv)(A)]	Yes	No	N/A
	asis for Conclusion:			
rents crit	program participant's documentation contain the affordable teria?  570.208(a)(3) and 24 CFR 570.506(b)(4)(iv)(A) and (B)]	Yes	No	N/A
Describe Ba	asis for Conclusion:			
househo	ents for the units occupied by low- and moderate-income lds meet the program participant's affordability standard? 570.208(a)(3) and 24 CFR 570.506(b)(4)(iv)(B)]	Yes	No	N/A
Describe Ba	asis for Conclusion:			
	nore than one rental building being assisted?  asis for Conclusion:	Yes	No	N/A

6.

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b. If the response to "6.a." above is "yes," is the program par treating the two or more rental buildings as one structure?		No	N/A
Describe Basis for Conclusion:			
<ul> <li>c. If the response to "6.b." above is "yes," are the buildings:</li> <li>under common ownership and management AND</li> <li>located on the same or contiguous properties?</li> <li>[24 CFR 570.208(a)(3)]</li> </ul>	Yes	No	N/A
Describe Basis for Conclusion:			
Does the documentation show that at least 51 percent of the rwere initially occupied by low- and moderate-income househ [24 CFR 570.208(a)(3) and 24 CFR 570.506(b)(4)(iii)]  Describe Basis for Conclusion:		No	N/A
a. Does the assisted activity involve multi-family structures:	? (If "no", skip to		
Section F. Report Validation and Verification.)  Describe Basis for Conclusion:		Yes	No

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b. If the assisted activity is a two-unit structure, was at least one unit initially occupied by a low- and moderate-income household?  [24 CFR 570 208(a)(3)]					No	N/A
For structures with	more than two units, o	complete the following	table:			
	Number of Units in Structure	Number of Units Occupied by L/M Households	Struc	ture (	Occu	pied
low- and moderate question is "no," be in "e" below, a find that the recipient m household income [24 CFR 570.208(a)]	-income households? In there is evidence that ding <b>cannot</b> be made. In the identified Low/(a)(3) and 24 CFR 570.5	Note: If the answer to at the activity meets the If the answer is "yes," in showing the family so Mod units.	this criteria ensure	Yes	No	N/A
income, does the activity in the CDBG asses the new construction project; and ii. At least 20% of moderate-incomiii. The proportion percentage of least calculate 1. Total	ctivity meet ALL of the istance was used to reduction of a multi-family of the units are (or will the households at afford of the CDBG funding ow- and moderate-incompliance for "iii" abdevelopment cost of the	e following requirement duce the development cy, non-elderly rental home) occupied by low- and dable rents; and is not greater than the ome units?	ost of using	Yes	No	N/A
	For structures with tructure Name or ddress/Number  For "c" above, were low- and moderate question is "no," be in "e" below, a fine that the recipient in household income [24 CFR 570.208(a) cscribe Basis for Comparison of the CDBG asserber the new construction of the comparison of	For structures with more than two units, of tructure Name or ddress/Number  For "c" above, were at least 51 percent of low- and moderate-income households? question is "no," but there is evidence that in "e" below, a finding cannot be made. that the recipient maintains documentatio household income for the identified Low/[24 CFR 570.208(a)(3) and 24 CFR 570.5 scribe Basis for Conclusion:  If less than 51 percent of the initial occup income, does the activity meet ALL of the i. The CDBG assistance was used to receive the new construction of a multi-family project; and  ii. At least 20% of the units are (or will be moderate-income households at afforciii. The proportion of the CDBG funding percentage of low- and moderate-income Calculate compliance for "iii" at 1. Total development cost of the content of the complete to the received and moderate-income calculate compliance for "iii" at 1. Total development cost of the content of the content of the complete the complet	initially occupied by a low- and moderate-income household?  [24 CFR 570.208(a)(3)]  scribe Basis for Conclusion:  For structures with more than two units, complete the following tructure Name or ddress/Number  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied ward moderate-income households? Note: If the answer to question is "no," but there is evidence that the activity meets the in "e" below, a finding cannot be made. If the answer is "yes," that the recipient maintains documentation showing the family shousehold income for the identified Low/Mod units.  [24 CFR 570.208(a)(3) and 24 CFR 570.506(b)(4)(iii)]  scribe Basis for Conclusion:  If less than 51 percent of the initial occupants were low and modincome, does the activity meet ALL of the following requiremen i. The CDBG assistance was used to reduce the development c the new construction of a multi-family, non-elderly rental ho project; and  iii. At least 20% of the units are (or will be) occupied by low-arm moderate-income households at affordable rents; and  iii. The proportion of the CDBG funding is not greater than the percentage of low- and moderate-income units?  Calculate compliance for "iii" above as follows:	initially occupied by a low- and moderate-income household?  [24 CFR 570.208(a)(3)]  scribe Basis for Conclusion:  For structures with more than two units, complete the following table:  tructure Name or ddress/Number  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the answer is "yes," ensure that the recipient maintains documentation showing the family size and household income for the identified Low/Mod units.  [24 CFR 570.208(a)(3) and 24 CFR 570.506(b)(4)(iii)]  For "c" above, were at least 51 percent of the initial occupants were low and moderate income, does the activity meet ALL of the following requirements:  i. The CDBG assistance was used to reduce the development cost of the new construction of a multi-family, non-elderly rental housing project; and  ii. At least 20% of the units are (or will be) occupied by low- and moderate-income households at affordable rents; and  iii. The proportion of the CDBG funding is not greater than the percentage of low- and moderate-income units?  Calculate compliance for "iii" above as follows:  1. Total development cost of the activity (including CDBG)	initially occupied by a low- and moderate-income household?  [24 CFR 570.208(a)(3)]  For structures with more than two units, complete the following table:  tructure Name or ddress/Number in Structure  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households is "no," but there is evidence that the activity meets the criteria in "e" below, a finding cannot be made. If the answer is "yes," ensure that the recipient maintains documentation showing the family size and household income for the identified Low/Mod units.  [24 CFR 570.208(a)(3) and 24 CFR 570.506(b)(4)(iii)]  scribe Basis for Conclusion:  If less than 51 percent of the initial occupants were low and moderate income, does the activity meet ALL of the following requirements:  i. The CDBG assistance was used to reduce the development cost of the new construction of a multi-family, non-elderly rental housing project; and  ii. At least 20% of the units are (or will be) occupied by low- and moderate-income households at affordable rents; and  iii. The proportion of the CDBG funding is not greater than the percentage of low- and moderate-income units?  Calculate compliance for "iii" above as follows:  1. Total development cost of the activity (including CDBG)	initially occupied by a low- and moderate-income household?  [24 CFR 570.208(a)(3)]  Scribe Basis for Conclusion:  For structures with more than two units, complete the following table:  tructure Name or ddress/Number  Number of Units in Structure  Number of Units Occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households in Structure Occupied by L/M Households  For "c" above, were at least 51 percent of the units initially occupied by L/M Households in "households in "no" but there is evidence that the activity meets the criteria in "e" below, a finding cannot be made. If the answer is "yes," ensure that the recipient maintains documentation showing the family size and household income for the identified Low/Mod units.  [24 CFR 570.208(a)(3) and 24 CFR 570.506(b)(4)(iii)]  Scribe Basis for Conclusion:  If less than 51 percent of the initial occupants were low and moderate income, does the activity meet ALL of the following requirements:  i. The CDBG assistance was used to reduce the development cost of the new construction of a multi-family, non-elderly rental housing project; and  iii. At least 20% of the units are (or will be) occupied by low- and moderate-income households at affordable rents; and  iii. The proportion of the CDBG funding is not greater than the percentage of low- and moderate-income units?  Calculate compliance for "iii" above as follows:  1. Total development cost of the activity (including CDBG)

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3. Proportion CDBG represents of total development		
cost (2 ÷ 1):%		
4. Percentage of units in the project occupied by low-		
and moderate-income households:%		
If the percentage on line 4. is greater than or equal to the percentage on		
line 3., the activity meets the low- and moderate-income housing		
national objective under 570.208(a)(3)(i).		
[24 CFR 570.208(a)(3)(i) and 24 CFR 570.506(b)(4)(vi)]		
Describe Basis for Conclusion:		
f. Were the appropriate Section 8 income limits and household size used to		
determine the number of units initially occupied by low- and moderate-	Yes	No.
income households?	res	NO
[24 CFR 570.506(b)(1)]		
Describe Basis for Conclusion:	_1	
Do the records show that multifamily housing activities have, at a minimum,		П
been spot checked by the program participant to verify claimed levels of initial		Ш
	Yes	No
occupancy by low- and moderate-income households in each structure?		
Describe Basis for Conclusion:		

## F. REPORT VALIDATION AND VERIFICATION

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	()		

Did your inspection of the records validate the information contained in the Integrated Disbursements and Information System (IDIS) and/or the program participant's most recently completed Consolidated Annual	Yes	□ No	N/A
Performance and Evaluation Report for the activity? [24 CFR 91.525(a)(3) and 24 CFR 570.900(b)(3)]			
Describe Basis for Conclusion:	<u>I</u>		

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